

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

APR 17 2002

Director of Utilities

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

P

W-02351A  
PICACHO PEAK WATER COMPANY  
7802 E. ESCALANTE RD.  
TUCSON AZ 85730-

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-30-02 CWA

SCANNED

## COMPANY INFORMATION

Company Name (Business Name) <u>Picacho Peak Water Co., Inc.</u>		
Mailing Address <u>7802 E. Escalante Rd</u>		
<u>Tucson</u> (City)	<u>Az</u> (State)	<u>85730</u> (Zip)
<u>(520) 790-2738</u> Telephone No. (Include Area Code)	<u>(520) 747-0447</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>SAME</u>		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

## MANAGEMENT INFORMATION

Management Contact: <u>George Bien-Willner</u>		<u>President</u>
 (Name)	 (Title)	
<u>3641 N. 39th Avenue</u> (Street)	<u>Phoenix</u> (City)	<u>Az</u> (State)
<u>(602) 840-8108</u> Telephone No. (Include Area Code)	<u>(602) 840-1114</u> Fax No. (Include Area Code)	<u>85019</u> (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
On Site Manager: _____		
 (Name)		
 (Street)	 (City)	 (State)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

Statutory Agent: Spencer Smith

(Name)

2525 East Broadway, Ste. 200 Tucson

(Street)

(City)

Az

(State)

85716

(Zip)

(520) 322-5000

Telephone No. (Include Area Code)

(520) 322-5585

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: DeConcini McDonald Yetwin & Lacy

(Name)

2525 East Broadway, Ste. 200 Tucson

(Street)

(City)

AZ

(State)

85716

(Zip)

(520) 322-5000

Telephone No. (Include Area Code)

(520) 322-5585

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☒ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	2,860	0	2,860
304	Structures and Improvements			
307	Wells and Springs	29,200	22,112	7,088
311	Pumping Equipment	64,069	39,241	24,828
320	Water Treatment Equipment	375	310	65
330	Distribution Reservoirs and Standpipes	15,132	11,840	3,292
331	Transmission and Distribution Mains	86,389	43,916	42,473
333	Services	708	543	165
334	Meters and Meter Installations	4,862	2,929	1,933
335	Hydrants	15,870	11,837	4,033
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6,603	2,860	3,743
	<b>TOTALS</b>	<b>226,068</b>	<b>135,588</b>	<b>90,480</b>

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	2860		0
304	Structures and Improvements			
307	Wells and Springs	29,200	3.64	1062
311	Pumping Equipment	64,069	4.19	2687
320	Water Treatment Equipment	375	3.64	14
330	Distribution Reservoirs and Standpipes	15,132	3.42	518
331	Transmission and Distribution Mains	86,389	4.16	3,595
333	Services	708	3.64	26
334	Meters and Meter Installations	4862	5.02	244
335	Hydrants	15870	6.67	1059
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6603	6.67	440
	<b>TOTALS</b>	<b>226,068</b>	<b>4.27</b>	<b>9645</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

## BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 564	\$ 13 215
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 564	\$ 13 215
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 226,068	\$ 226,068
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	125,943	135 588
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 100,125	\$ 90,480
	<b>TOTAL ASSETS</b>	\$ 100,689	\$ 103,695

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)	1,000	1,100
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1,000	\$ 1,100
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 98,411	\$ 90,868
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 99,411	\$ 90,868
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	1,278	11,727
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 1,278	\$ 11,727
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 100,689	\$ 103,695

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 32,385	\$ 36,333
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 32,385	\$ 36,333
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	3,499	2,660
618	Chemicals		
620	Repairs and Maintenance	1,723	689
621	Office Supplies and Expense	153	118
630	Outside Services	14,414	2,850
635	Water Testing	744	2,260
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1,071	1,152
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	503	434
403	Depreciation Expense	9,929	9,645
408	Taxes Other Than Income		
408.11	Property Taxes	15	1,978
409	Income Tax	50	50
	<b>TOTAL OPERATING EXPENSES</b>	\$ 32,101	\$ 21,836
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 1	\$ 0
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	4,906	4,049
	<b>TOTAL OTHER INCOME/EXP</b>	\$ 4,905	\$ 4,049
	<b>NET INCOME/(LOSS)</b>	\$ (4621)	\$ 10,448



COMPANY NAME

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	11/15/79			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 200,000.	\$	\$	\$
Amount Outstanding	\$ 90,868.	\$	\$	\$
Date of Maturity	2020			
Interest Rate	5%			
Current Year Interest	\$ 4,049.	\$	\$	\$
Current Year Principle	\$ 7,543.	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

COMPANY NAME

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
623405	10	64	12"	
623406	10	82	12"	

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = \_\_\_\_\_

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000	1	5,000	2

## STATISTICAL INFORMATION

Total number of customers 10

Total number of gallons sold 6,728,676 gallons

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

0

0

State Taxable Income Reported

Estimated or Actual State Tax Liability

0

50

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

David Oase

SIGNATURE

4-15-02

DATE

David Oase

PRINTED NAME

CRA

TITLE

COMPANY NAME \_\_\_\_\_ YEAR ENDING 12/31/2001

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 0

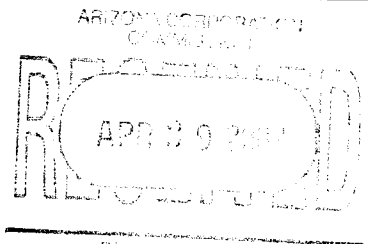
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

Still in negotiations with county over valuation.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only



**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>PINAL</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Accountant</u>
COMPANY NAME <u>Picacho Peak Water Co., Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 35,073

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1894  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*David Case*  
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER \_\_\_\_\_

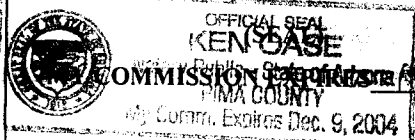
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

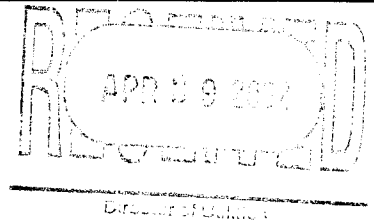
THIS 25 DAY OF

COUNTY NAME	<u>PIMA</u>	
MONTH	<u>APRIL</u>	<u>2002</u>

*Ken Case*  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Pinal

NAME (OWNER OR OFFICIAL)

Accountant

TITLE

COMPANY NAME

Picacho Peak Water Co. Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 1260-(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 83

IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X David Case  
SIGNATURE OF OWNER OR OFFICIAL

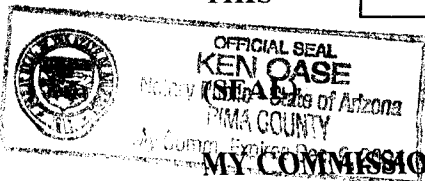
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

25

DAY OF

MY COMMISSION EXPIRES 12-9-04

NOTARY PUBLIC NAME

Ken Case

COUNTY NAME

PIMA

MONTH

APRIL2002

X Ken Case  
SIGNATURE OF NOTARY PUBLIC